



The following financial report analysis offers readers a narrative overview and analysis of the financial activities of the City for the period January through July, 2010. This period will be referred to as Year-to-Date (YTD) throughout. The monthly financial statement package includes statements for the following funds: General Fund, Land Use Fund, Capital Improvement Fund, Conservation Trust Fund, Open Space Fund, General Improvement District Funds, and the Centennial Urban Redevelopment Authority Fund. Readers are encouraged to consider the information presented here in conjunction with the unaudited financial statements attached to this report.

### Summary of the July 2010 YTD Financial Statements

#### **GENERAL FUND – COMPARISON TO PRIOR YEAR FOR THE SAME PERIOD**

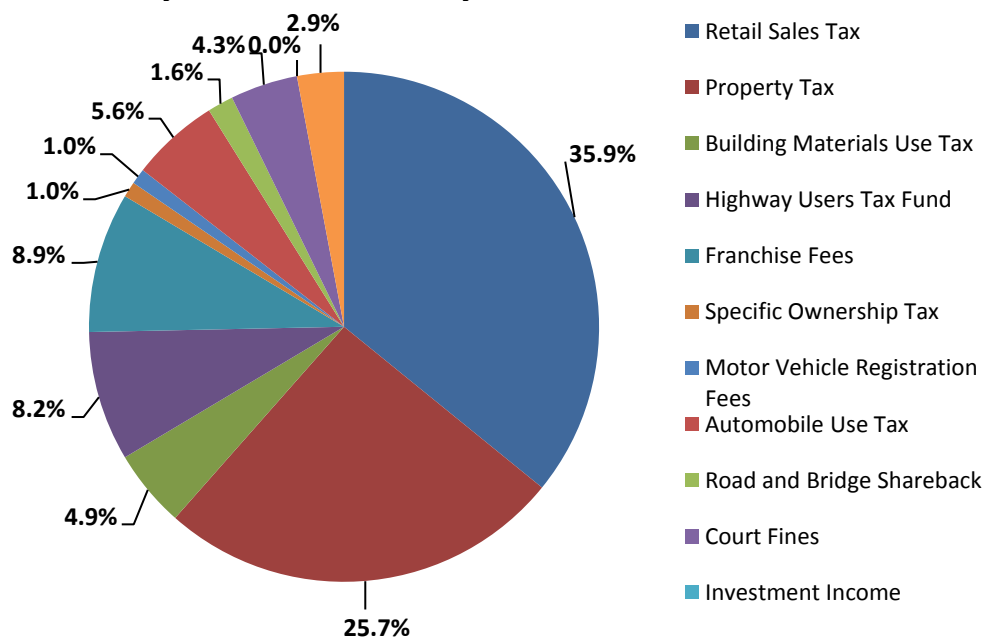
##### Revenues

The following table is a summary comparison of the primary revenue sources YTD for 2009 and 2010 reported in millions:

*(dollar amounts in millions)*

	YTD 2010	YTD 2009	\$ Variance	% Variance
Retail Sales Tax	\$ 10.9	\$ 9.8	\$ 1.1	11.2%
Property Tax	7.8	7.7	0.1	1.3%
Building Materials Use Tax	1.5	1.0	0.5	50.0%
Highway Users Tax Fund	2.5	2.0	0.5	25.0%
Franchise Fees	2.7	2.3	0.4	17.4%
Specific Ownership Tax	0.3	0.3	-	0.0%
Motor Vehicle Registration Fees	0.3	0.2	0.1	50.0%
Automobile Use Tax	1.7	1.7	-	0.0%
Road and Bridge Shareback	0.5	0.6	(0.1)	-16.7%
Court Fines	1.3	1.3	-	0.0%
Investment Income	-	0.1	(0.1)	0.0%
All Other Revenue Sources	0.9	1.0	(0.1)	-10.0%
	<u>\$ 30.4</u>	<u>\$ 28.0</u>	<u>\$ 2.4</u>	<u>8.6%</u>

**July 2010 YTD Revenues by Source as a % of Total Revenues**



### Retail Sales Tax

Total Retail Sales Tax revenue YTD 2010 is more than the collections YTD 2009 by \$1.1 million, or 11.2%. The increase is a combination of factors that include increases in sales tax collections from The Streets at SouthGlenn, issuance of Retail Sales Tax Licenses to businesses in the City and outside of the City limits, and collection of delinquent sales tax. The sales tax revenue generated by the retailers at The Streets at SouthGlenn is 90% higher than YTD 2009 and that trend should continue to grow as the center nears the desired percentage of retail space that is leased.

The City's Retail Sales Tax Licensing program continues to identify businesses that should be licensed. Ninety-eight percent of the businesses located in the City are licensed. Efforts to identify retailers outside of the City that should be licensed is a measured goal increasing overall compliance with the City's requirements. Issuance of new sales tax licenses not only results in sales tax collections for subsequent periods, but may include sales tax due for previous periods. General delinquent and sales tax auditing efforts also increase overall compliance with the City's ordinance. Delinquent sales tax collections of more than \$300,000 YTD is included in the total revenues reported and the number of retailers that file on-line; on-line filings has increased from 3.37% in February of 2009 to 17.6%.

NAICS Review - The table below represents total sales tax collected YTD summarized by North American Industry Classification System (NAICS) codes and compared to the same codes for YTD 2009.

**2010 & 2009 YTD through July 2010 - Top 25 Sales by 4-digit NAICS Code**

NAICS Description		YTD 2010	% of Total	YTD 2009	% Change
1	Full-Service Restaurants	\$843,704	7.7%	\$699,768	20.6%
2	Wireless Telecommunications Carriers (except Satellite)	763,996	7.0%	754,885	1.2%
3	Automobile Dealers	731,840	6.7%	656,789	11.4%
4	Electric Power Generation, Transmission and Distribution	667,200	6.1%	538,915	23.8%
5	Limited-Service Eating Places	658,091	6.0%	550,463	19.6%
6	Grocery Stores	618,921	5.7%	495,861	24.8%
7	Other General Merchandise Stores	473,210	4.3%	452,728	4.5%
8	Sporting Goods, Hobby, and Musical Instrument Stores	333,810	3.1%	316,532	5.5%
9	Department Stores	310,529	2.8%	270,637	14.7%
10	Electronics and Appliance Stores	310,775	2.8%	268,396	15.8%
11	Wired Telecommunications Carriers	316,322	2.9%	404,245	-21.7%
12	Commercial and Industrial Machinery & Equipment Rental and Leasing	311,981	2.9%	244,951	27.4%
13	Beer, Wine, and Liquor Stores	260,381	2.4%	252,082	3.3%
14	Automotive Parts, Accessories, and Tire Stores	243,999	2.2%	204,826	19.1%
15	Furniture Stores	235,370	2.2%	175,984	33.7%
16	Automotive Repair and Maintenance	230,751	2.1%	228,499	1.0%
17	Health and Personal Care Stores	243,591	2.2%	157,714	54.5%
18	Traveler Accommodation	200,481	1.8%	198,527	1.0%
19	Lawn and Garden Equipment and Supplies Stores	164,215	1.5%	167,381	-1.9%
20	Electrical and Electronic Goods Merchant Wholesalers	164,303	1.5%	57,194	187.3% *
21	Building Material and Supplies Dealers	152,180	1.4%	135,519	12.3%
22	Other Miscellaneous Store Retailers	140,836	1.3%	147,919	-4.8%
23	Home Furnishings Stores	139,316	1.3%	62,741	122.0% *
24	Computer Systems Design and Related Services	119,366	1.1%	65,356	82.6% *
25	Clothing Stores	114,267	1.0%	101,182	12.9% *
26	All Other Businesses	2,171,088	19.88%	2,164,877	0.3%
<b>Total</b>		<b>\$10,920,523</b>		<b>\$9,773,971</b>	

\* Not included in 2009 Top 25 Sales by 4-digit NAICS Code

### Property Tax

Total Property Tax revenue YTD during 2010 is \$122,785, or 1.3% more than the collections YTD in 2009. The amount received for the remainder of the year should be received in smaller increments since the majority of the property tax due is received by June. Property tax payments have three due dates throughout the year. The due date for a payment in full is April 30<sup>th</sup> and due dates for the two payment increments are February 28<sup>th</sup> and June 15<sup>th</sup>. Collections for 2010 compared to 2009 are expected to be higher as a result of a 3.6% increase in assessed property valuations as provided by Arapahoe County, and reported in the Adopted 2010 Budget.

### Building Materials Use Tax

Building Materials Use Tax revenue YTD during 2010 is \$450,552, or 50.0% more than collections YTD in 2009. However, this increase is due to Building Materials Use Tax collected for a large commercial development project. Without this project, the comparison of YTD 2010 is under the YTD 2009. Removing that one-time anomaly, Building Materials Use Tax is 38.0% below the same period 2009. While the number of building permits issued YTD 2010 is 4.0% higher than the same period of 2009, the total valuation of the projects, other than the one large commercial project, is 26.0% below 2009. An examination of the types of permits indicates that there has been an increase in the number of permits issued for new residential, residential remodels and smaller permits, and fewer permits issued for commercial remodels and new commercial projects. Economic indicators show a slight increase in new construction in the Denver metro area and may be realized in subsequent reports for the City.

### Highway Users Tax Fund

Highway Users Tax Fund revenue YTD during 2010 is \$461,345, or 25.0% more than collections YTD in 2009. This increase is due to the FASTER (Funding Advancements for Surface Transportation and Economic Recovery) revenue the City began to receive in July, 2009. FASTER revenue received through July, 2010 is approximately \$520,000 and is reported as part of the \$2.5 million received to date.

### Franchise Fees

Gas and Electric Franchise fee revenue YTD 2010 is \$373,516, or 20.8% more than the same period in 2009. Xcel Energy instituted a two-tiered pricing structure for the summer to incentivize customers to use less energy from June to September, after which the traditional pricing structure will be reinstated.

Cable Franchise Fee revenue for the first two quarters of 2010 is \$46,714, or 8.9% more than the first two quarters of 2009. In researching the variance, it was discovered that there has been an overpayment by the vendor of approximately \$27,000 that will be recovered through the third and fourth quarter payments. Staff is examining these calculations to verify the information, and is working closely with the vendor.

The sum of the different sources of revenue from franchise fees are 17.4% YTD 2010 over the same period 2009.

### Court Fines

Court Fines revenue YTD 2010 is in line with the collections for the same period in 2009. The individual types of fines and fees, and their proportional amount to the total fines and fees vary from month to month. For instance, the revenue received for the current month is less than the same month in 2009 in Court Fines, Court Costs, Parking Fees but over the same month in 2009 in Default Fines, and Restitution. It is reasonable to expect that the various revenue elements will vary slightly throughout the year.

### Investment Income

Investment Income YTD 2010 is 46.7% less than collections for the same period in 2009. This decrease is directly attributable to the significant decline in earnings rates between 2009 and 2010 as the City's cash balances have increased from \$27.1 million as of July 31, 2009, to \$32.5 million as of July 31, 2010.

	<u>Annual Yield – 2009</u>	<u>Annual Yield – 2010</u>	<u>Difference</u>
Colotrust	0.31%	0.27%	(0.04%)
Wells Fargo	0.10%	0.10%	0.00%

## **Expenditures**

Total expenditures and other financing uses YTD increased \$1.0 million, or 4.3%, to \$25.4 million compared to expenditures and other financing uses YTD in 2009. The overall increase is attributable to variances in the City Attorney, City Manager's Office, Finance, Nondepartmental, Human Resources and Risk Management Services, and Planning and Development departments, as well as the Land Use and Capital Improvement Fund transfers.

- City Attorney expenditures are \$0.1 million above expenditures YTD in 2009. This increase is partly due to the EECBG (Energy Efficiency and Conservation Block Grant) program and related legal fees for and the Medical Marijuana case and research, in addition to several other projects.
- City Manager's Office expenditures are 0.1 million above expenditures YTD in 2009. This increase is attributable to personnel costs, as well as expenditures related to the citizen survey and the Adopt-a-Street program, which is an initiative included in the City's Our Voice, Our Vision.
- Finance expenditures are 0.1 million above expenditures YTD in 2009. This increase is attributable to expenditures related to the sales tax audit program. In addition, there is an increase in expenditures associated with sales tax collection and processing.
- Nondepartmental expenditures are 0.1 million below expenditures YTD in 2009. This decrease is due to timing of expenditures for strategic planning, lower costs for the coyote management program, as well as the completion of the Potomac and Fremont traffic signal during 2009.
- Human Resources and Risk Management Services expenditures are 0.1 million below expenditures YTD in 2009. This decline is primarily due to a decrease in premiums for property and casualty insurance services resulting from stop loss credits.
- Land Use Fund transfers YTD are \$0.3 million less than transfers YTD during 2009. This decrease is primarily due to an increase in Building Permit and Plan Review fees which resulted in a lower General Fund support transfer. This net reduction is attributable to a large commercial project as well as fewer expenses related to Applicant Work Orders and Land Development Code Rewrite.
- Capital Improvement Fund transfers YTD are \$1.0 million more than transfers YTD during 2009. This variance is due to additional Capital Improvement projects related to street rehabilitation, concrete replacement, as well as Peoria reconstruction and Arapahoe Road improvements.

Budget Allocations: The City's annual budget amounts for revenues and expenditures are examined on a month-to-month basis compared to the YTD Budget. A budget allocation is a portion of the annual budget amount that is assigned to each month in the year for comparative purposes. The allocation amount may be either 1/12<sup>th</sup> of the total amount budgeted for the year or a specific percentage for that month based on actual receipts or expenditures for prior years.

## GENERAL FUND – COMPARISON TO BUDGET

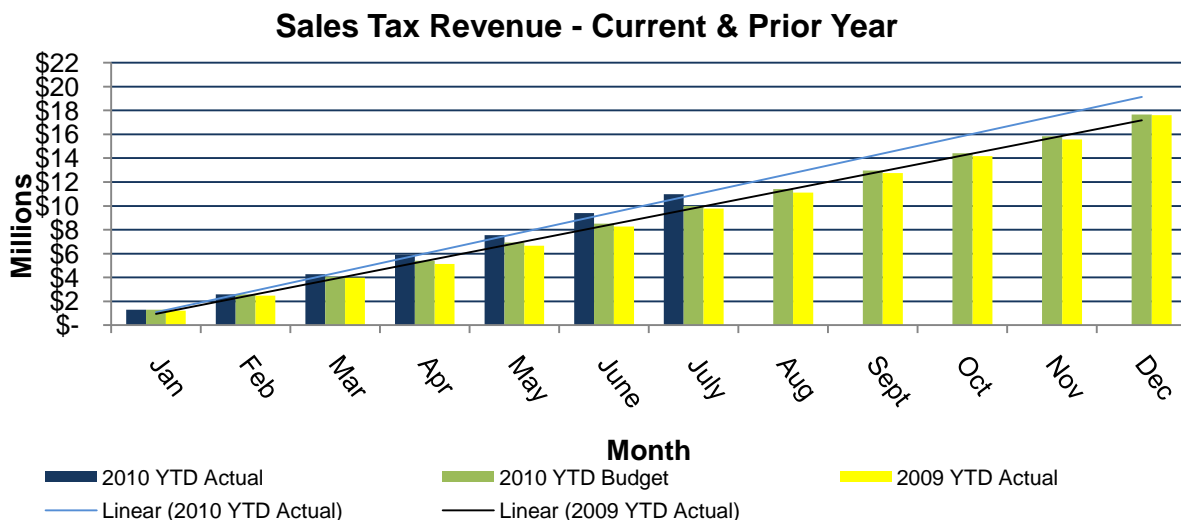
### Revenues

The following table is a summary comparison of the primary revenue sources YTD for 2010 compared to YTD budget.

	Actual YTD 2010	Budget YTD 2010	\$ Variance	% Variance
Retail Sales Tax	\$ 10.9	\$ 10.0	\$ 0.9	9.4%
Property Tax	7.8	7.9	(0.1)	-1.5%
Building Materials Use Tax	1.5	0.6	0.9	130.7%
Highway Users Tax Fund	2.5	1.9	0.6	32.8%
Franchise Fees	2.7	2.6	0.1	6.7%
Specific Ownership Tax	0.3	0.3	-	-8.7%
Motor Vehicle Registration Fees	0.3	0.2	0.1	13.5%
Automobile Use Tax	1.7	1.9	(0.2)	-11.7%
Road and Bridge Shareback	0.5	0.5	-	2.1%
Court Fines	1.3	1.2	0.1	11.7%
Investment Income	-	0.1	(0.1)	-75.3%
All Other Revenue Sources	0.9	0.9	-	9.8%
	<u>\$ 30.4</u>	<u>\$ 28.1</u>	<u>\$ 2.3</u>	<u>8.3%</u>

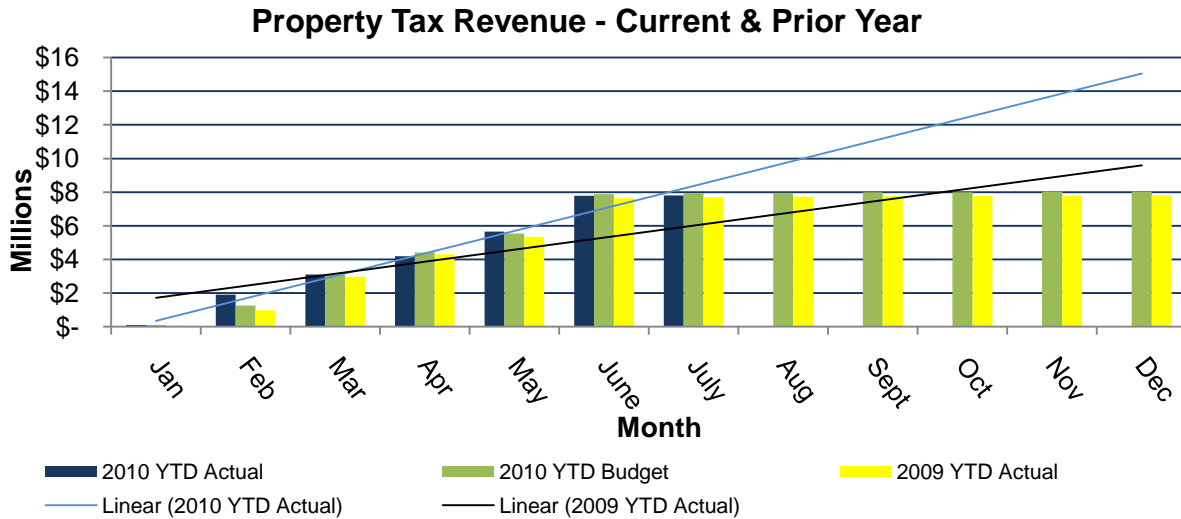
### Retail Sales Tax

Total Retail Sales Tax revenue YTD is 0.9 million, or 9.4% favorable compared to the YTD budget for this revenue. The positive variance is a result of several factors discussed above as well as a conservative approach to calculating the budget for this item. The budget allocation for sales tax is based on receipts for the same period in prior years.



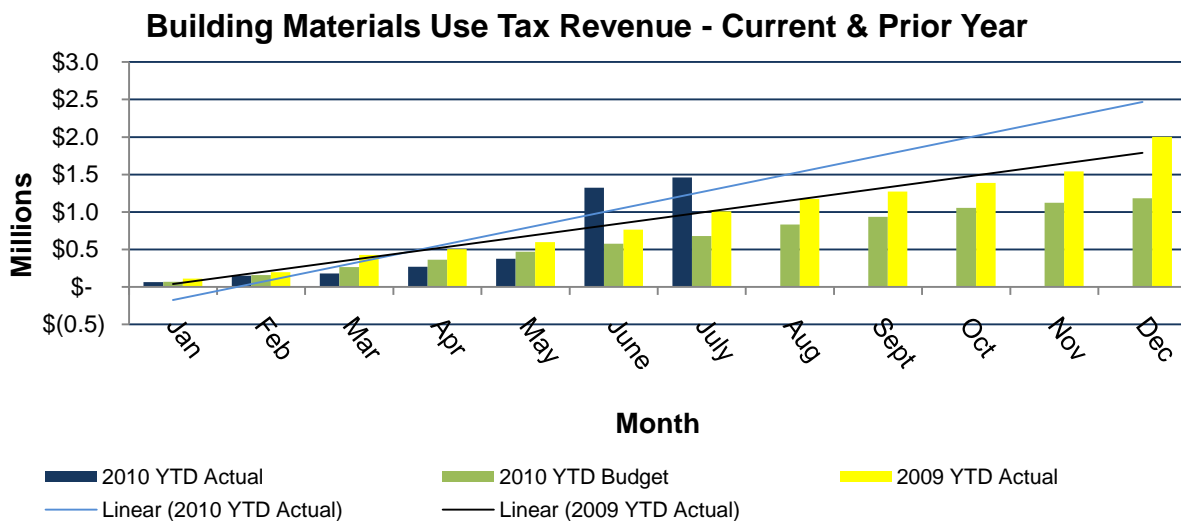
### Property Tax

Property Tax revenue YTD for 2010 is unfavorable compared to budget amount for this period by 0.1 million, or 1.5%. The amount budgeted for this revenue is based on the assessed valuations provided by the Arapahoe County Assessor's Office. Outstanding property tax assessments are being researched.



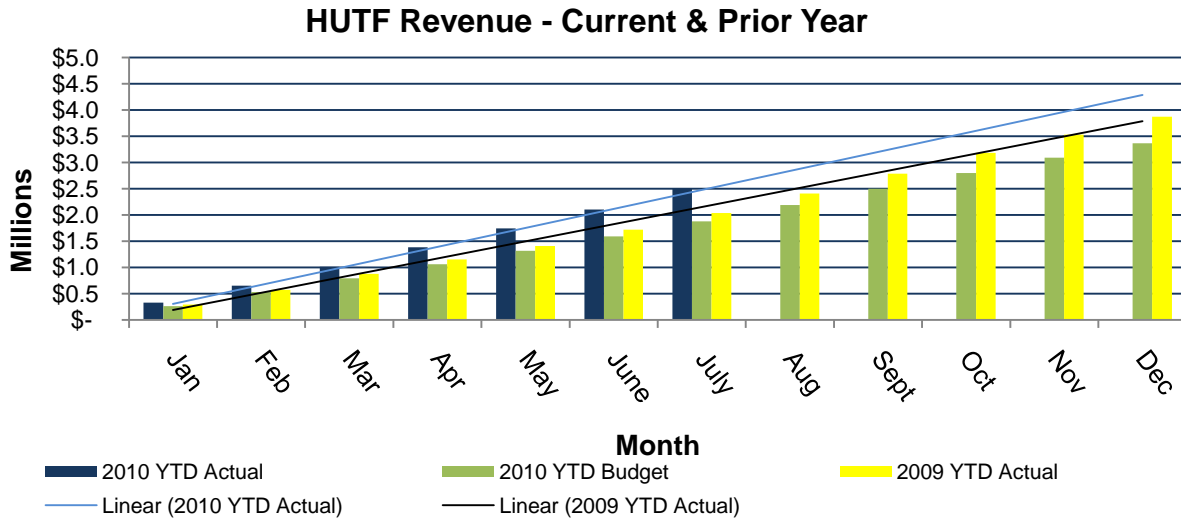
### Building Materials Use Tax

Building Materials Use Tax revenue YTD for 2010 is double the budgeted revenue for this period due to one-time revenue from a large commercial development project. Removing this anomaly gives a clearer picture of the actual revenue YTD compared to the budgeted revenue YTD. That calculation shows an unfavorable variance of actual to budget of 8%. New commercial construction permits issued are less than the same period 2009.



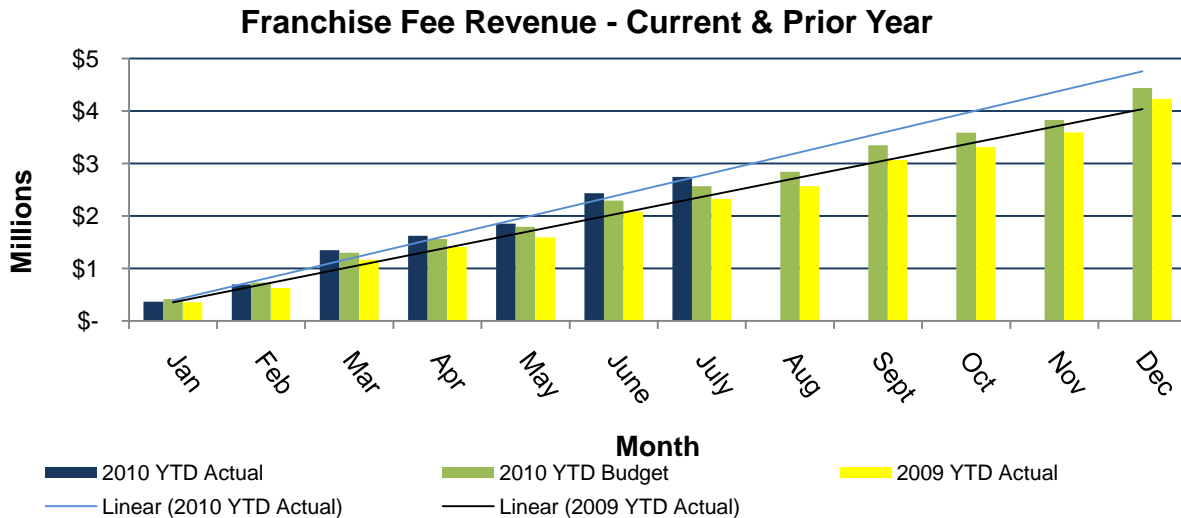
### Highway Users Tax Fund

Highway Users Tax Fund revenue YTD for 2010 is favorable compared to budget by 0.6 million, or 32.8%. This favorable variance is due to the FASTER revenue that is included with the HUTF payments. This revenue was not included in the 2010 budget. Without the FASTER revenue, HUTF revenue received is in line with the amount budgeted.



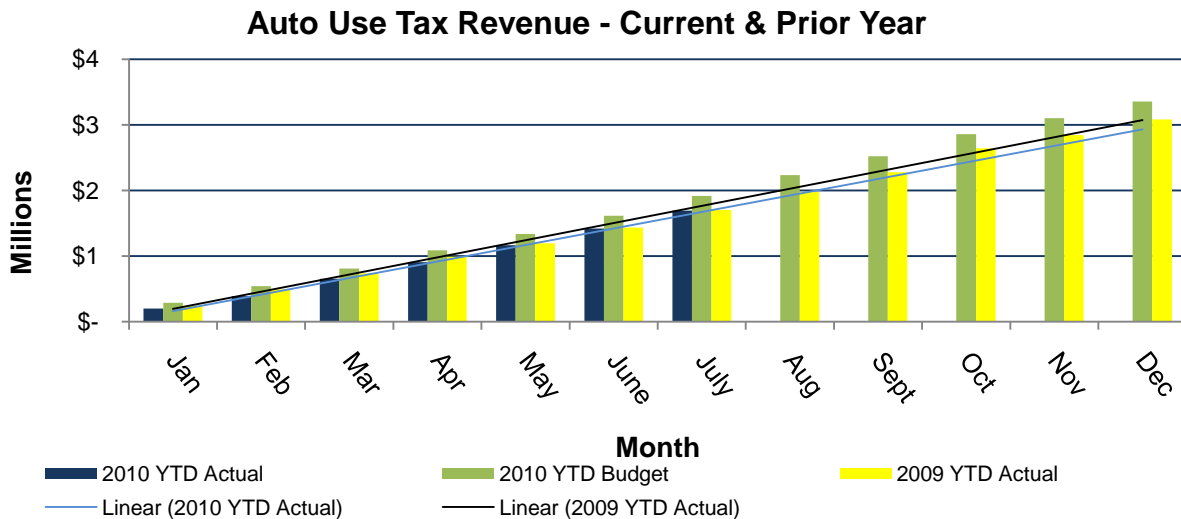
### Franchise Fees

Franchise Fee revenue YTD is 0.1 million, or 6.7%, favorable compared to budgeted revenue. This favorable variance is due to an increase in electric and cable franchise fee rates discussed above. Cable rates typically increase by approximately 3% annually.



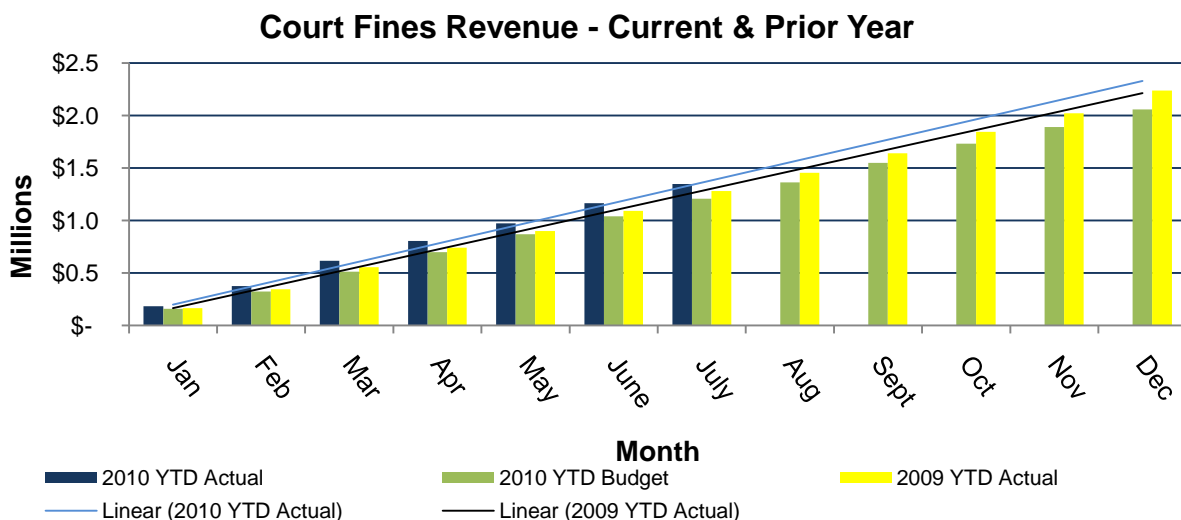
### Automobile Use Tax

Automobile Use Tax revenue YTD is 0.2 million, or 11.7% unfavorable to budgeted revenue. Collections continue to deteriorate below what the City expected due to a decrease in automobile sales where the use tax is collected for the City by Arapahoe County. The City's Sales Tax program requires automobile dealers to obtain a license and collect sales tax on lease payments. A portion of the use tax shortfall may be due to an increase in sales tax collected on these leases. Industry information for Colorado indicates an overall increase in new car sales of 15% for July, 2010. There is normally a forty-five (45) day period between purchase of a vehicle and registration of that vehicle, at which time the use tax is collected if a sales tax has not been collected on the leased or financed payments.



### Court Fines

Court Fines YTD for 2010 are \$0.1 million, or 11.7% favorable compared to budgeted revenue. This is largely due to an increase in the actual court fine revenue received.



### Investment Income

Investment Income YTD is approximately \$93,000, or 75.3% unfavorable compared to the amount budgeted. This unfavorable variance is the direct result of the significant declines in earnings rates. While the month-to-month rates vary, the annual yield rates are within a small range of the same period last year. The volatility of this market makes budgeting a particularly difficult challenge at this time.



### **Expenditures**

Total expenditures and other financing uses YTD are \$1.3 million, or 4.8% favorable compared to the YTD budget. The overall favorable variance for actual expenditures compared to budget is primarily due to the Economic Development, Finance, Nondepartmental, Human Resources and Risk Management Services, Support Services, Public Works, Law Enforcement and Planning and Development departments, as well as the Land Use Fund transfer.

- City Attorney expenditures YTD are \$0.1 million, or 14.0% favorable to the YTD budget. This favorable variance is primarily due to the timing of expenditure budget allocations.
- Economic Development expenditures YTD are 0.1 million, or 64.0% favorable to the YTD budget. This favorable variance is partly due to budget savings, as well as the timing of budget allocations, both related to projects.
- Finance expenditures YTD are \$0.2 million, or 23.1% favorable to the YTD budget. This favorable variance is primarily due to vacancy savings and the timing of budget allocations related to projects.
- Nondepartmental expenditures YTD are \$0.1 million, or 31.8% favorable to the YTD budget. This favorable variance is partly due to lower costs for the Coyote Management program, and the timing of budget allocations related to grant matching.
- Central Services expenditures YTD are 0.1 million, or 42.8% favorable to the YTD budget. This favorable variance is primarily due to the timing of expenditures compared to the allocation of the budget.
- Human Resources and Risk Management Services expenditures YTD are 0.2 million, or 36.9% favorable to the YTD budget. This favorable expenditure variance is due to vacancy savings as well as a decrease in premiums for property and casualty insurance services, compared to premiums expected.
- Support Services expenditures are 0.1 million, or 16.7% favorable to the YTD budget. This favorable variance is primarily due to the timing of expenditures compared to the allocation of the budget for specific projects within Information Technology and other services within Facilities.
- Public Works expenditures are 0.1 million, or 1.6% favorable to the YTD budget. This favorable variance is due to the timing of expenditures compared to the allocation of the budget as well as a reduction in striping and street sweeping services resulting in less fuel expenditures. In addition, there is a savings YTD for street light maintenance and contingency costs set aside for unexpected expenditures during the year.
- Planning and Development expenditures are 0.1 million, or 25.7% favorable to the YTD budget. This favorable variance is due to vacancy savings and the timing of budget allocations related to various projects, including the Sub Area Plan.
- Land Use Fund transfers are 0.1 million, or more than 100.0% favorable to the YTD budget. This favorable variance to budget is partially due to timing of expenditures compared to the allocation of the budget, as well as an increase in the building use tax transfer, resulting from a large commercial project. The net result is a favorable variance compared to budget for the total General Fund support transfer.

<b>LAND USE FUND</b>
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**Comparison to Prior Year**

*Revenue*

- Land Use Fund revenue YTD is \$0.2 million, or 12.7% more than revenue collected during the same period in 2009. This is due to Building Services Permit and Plan Check Fees for a large commercial project.

*Expenses*

- Total expenses YTD decreased less than \$0.1 million, or 2.6%, to \$1.8 million compared to expenses YTD during the prior year. This decrease is the result of fewer expenses related to Applicant Work Orders and the Land Development Code Rewrite. In addition, expenses related to the Sub Area Plan moved to Planning & Development for 2010, as the cost is not specific to the Land Use Fund. This decrease is partially offset by an increase in building permit fees for a large commercial project

**Comparison to Budget**

*Revenue*

- Revenue YTD is \$0.2 million, or 14.8% favorable to budget largely due to building services fees. These fees are calculated on the valuation of a project, similar to the Building Materials Use Tax, and reflect building permits issued for a large commercial project.

*Expenses*

- Total expenses YTD are \$0.1 million, or 5.9% unfavorable compared to the YTD budget. This unfavorable variance is due to higher than expected Building Services expenses related to a large commercial project that has offsetting revenue. In addition, it is partially offset by the timing of budget allocations compared to actual expenses for several Land Use projects.

<b>CAPITAL IMPROVEMENT FUND</b>
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**Comparison to Prior Year**

*Revenue*

- The total revenue YTD is \$1.7 million, or 96.4% less than revenue collected YTD for 2009. Intergovernmental/Federal Grant Revenue totaling \$1,733,090 received in 2009 accounts for the comparative deficit in 2010. The remaining revenue comparison narrows the gap between the two years to a difference of \$11,378 which is a decrease of 14.8%. Pavement Degradation Fees are substantially less YTD 2010 than the same period for 2009.

*Expenditures*

- Total expenditures YTD decreased \$5.2 million, or 86.1%, to \$0.8 million compared to expenditures YTD during the prior year. This decrease is mostly the result of the Arapahoe/University and Arapahoe/Colorado to Holly projects, as well as the Potomac and Fremont traffic signal, which had combined expenditures of \$5.1 million YTD in 2009. In addition, YTD 2010 concrete replacement and street rehabilitation expenditures have decreased compared to YTD 2009 expenditures due to the timing of invoices/work. These decreases are partially offset by an increase in expenditures for the Transportation Master Plan, as well as the City's share of the Environmental Assessment project.

### **Comparison to Budget**

#### *Revenue*

- The total revenue YTD is 0.2 million, or 78.5% unfavorable compared to budget for YTD 2010. Intergovernmental/Federal Grant Revenue consisting of EECBG and DRCOG grants that are budgeted for 2010 have not been received. Pavement Degradation Fees received YTD are significantly less than 2009 and are 76.3%, or \$95,362 less than YTD 2010 Budget.

#### *Expenditures*

- Total expenditures are \$4.0 million, or 82.5% favorable compared to the YTD budget. This favorable variance is partially due to budgeted funds that were carried forward from the prior year for the Arapahoe/University and Arapahoe/Colorado to Holly projects. It is also due to the timing of budget allocations and payments related to new construction projects, as well as concrete replacement and street rehabilitation programs.

<b>CONSERVATION TRUST FUND</b>
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### **Comparison to Prior Year**

#### *Revenue*

- Actual revenue received YTD 2010 is approximately \$29,000 less than revenue received during the same period in 2009. This represents an unfavorable variance of 11.3% due to a decrease in investment earnings and \$23,000 decrease in lottery proceeds.

#### *Expenditures*

- There are no YTD expenditures for 2009 or 2010.

### **Comparison to Budget**

#### *Revenue*

Revenue received YTD 2010 is approximately \$10,000, or 4.4% unfavorable compared to budget. Investment income is 48.8% less consistent with the general decline in earning rates and lottery proceeds are 2.4% less than planned.

#### *Expenditures*

- Total expenditures are 0.3 million, or more than 100.0% favorable compared to the YTD budget. This favorable variance is due to timing of budget allocations related to a budget carry forward for the Goodson Recreation Center project, as well as the timing of budget allocations for the Civic Center Park project.

<b>OPEN SPACE FUND</b>
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### **Comparison to Prior Year**

#### *Revenue*

- Open Space Fund revenues are received from the Arapahoe County Open Space Sales Tax and Investment Income. Both of these revenue sources are below collections received for the same period in 2009 by an aggregate of 0.2 million, or 9.1%. The largest deficit is in the Sales Tax revenue which is not trending consistently with the City Sales Tax receipts. Since the County Open Space Sales Tax is collected on sales made by vendors that are in Arapahoe County, and on Building Materials for projects in the County, it will be important to more closely examine the detail of those reports to make sure that the vendors are collecting the correct sales tax.

#### *Expenditures*

- Total expenditures YTD increased 0.2 million, or 46.0%, to \$0.6 million compared to expenditures YTD during the prior year. This increase is the result of expenditures for Broncos Parkway Trailhead, Piney Creek Hollow Park, Piney Creek Trail Bridge and Tagawa Access Road projects.

### **Comparison to Budget**

#### *Revenue*

- The YTD revenue is 0.6 million, or 23.2%, unfavorable compared to budget largely due to grant revenue budgeted but not received.

#### *Expenditures*

- Total expenditures are \$3.1 million, or 83.2% favorable compared to the YTD budget. This favorable variance is due to timing of budget allocations related to capital projects, including Parker Jordan Open Space acquisition, maintenance and improvements; Cherry Creek Trail enhancements, Tagawa Access Road, and several South Suburban Park and Recreation District projects.

<b>GENERAL IMPROVEMENT DISTRICT FUNDS</b>
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### **Comparison to Prior Year**

#### *Revenue*

- Revenue received YTD for the consolidated G.I.D. Funds is 2.3% less than YTD 2009. This represents a reduction in receipts for Property Tax, Specific Ownership Tax and Investment Income collectively.

#### *Expenditures*

- Total expenditures YTD are less than \$0.1 million, or 22.4% lower than the prior year. This decrease is due to fence paint and repairs and sprinkler repairs for Walnut Hills during the prior year.

### **Comparison to Budget**

#### *Revenue*

- Revenue received YTD is slightly over the amount budgeted by 0.5%, or \$1,247.

#### *Expenditures*

- Total expenditures are 65.7% favorable compared to the YTD budget. This favorable variance is due to the timing of the budget allocations and is expected to diminish as the year progresses.

<b>CENTENNIAL URBAN REDEVELOPMENT AUTHORITY FUND</b>
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### **Comparison to Prior Year**

#### *Revenue*

- Revenue received YTD is more than revenue received during the same period in 2009 by more than 100.0% primarily due to the increase in Property Tax received for The Streets at SouthGlenn.

#### *Expenditures*

- Total expenditures YTD increased 0.7 million, or more than 100.0% compared to prior year expenditures. This increase is directly attributable to the property tax pass-through payment by the Authority to the Southglenn Metropolitan District pursuant to the public finance agreement.

### **Comparison to Budget**

#### *Revenue*

- The Property Tax received for The Streets at SouthGlenn is 30.3%, or 0.2 million favorable compared to budget. The assessed valuation in 2009 for payment in 2010 reflected a large increase in the incremental property tax valuation for The Streets at SouthGlenn.

*Expenditures*

- Total expenditures are 0.2 million, or 31.9% unfavorable compared to the YTD budget. This unfavorable variance is directly related to the timing of property tax payments and the related pass-through of this revenue to the Southglenn Metropolitan District as a result of the public finance agreement between the Authority and the District.